

## **PRESS RELEASE**

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### **voestalpine to become a full-service provider of fully digitalized railway lines worldwide**

Faster trains, growing passenger numbers, and increased security requirements face rail operators with ever new challenges. The Metal Engineering Division of the voestalpine Group is already a global leader in high-quality rails, high-tech turnouts, and digital monitoring systems. Now the Group is bundling these competencies under the “Railway Systems” brand, becoming a worldwide provider of complete systems for railway infrastructures. The new segment covers around 7,000 employees at 70 production and sales locations on all five continents, who together generated revenue of EUR 1.4 billion during the past business year. With the global trend towards urbanization and the expansion of public transport networks, an average annual growth of almost three percent is forecast.

Whether in the high-speed, heavy haul, or urban traffic sector, voestalpine rail technology is in demand wherever extremely sophisticated infrastructure projects are realized. voestalpine Railway Systems offers both the hardware (rails, turnouts, fixations, sleepers) as well as the fully digital monitoring of rail lines and rolling stock. “The new Railway Systems brand is another symbol of voestalpine’s successful development from a traditional steel company into a leading technology group. Today we are international pioneers in smart railway infrastructure systems which apply innovative sensors and software technologies to recognize dangers at an early stage, enabling fault-free and safe rail transport. As a material, today steel makes up less than five percent of the total value of such complete solutions,” says Wolfgang Eder, Chairman of the Management Board of voestalpine AG. Over the medium term the Group is striving to generate annual revenue of EUR 2 billion in this promising market.

### **Innovative signaling technology enables proactive maintenance**

voestalpine product highlights include the ultra-long, heat-treated, and highly wear-resistant 120 meter rails manufactured in Leoben-Donawitz, Austria. The special turnouts designed for speeds of up to 380 km/h and axle loads over 40 tons produced by the voestalpine VAE Group based in Zeltweg, Austria, represent today’s benchmark in turnout construction. Each high-tech turnout can be equipped with up to 40 sensors which permanently record the proper functioning of the turnout or, at full speed, the temperature of the wagon axles, and report this information to the operator in real time. “As a result of intensive research and development work, as well as targeted acquisitions, over the past years we have built up extensive know-how in monitoring and signaling technologies. Combined with our many years’ experience in manufacturing rails and turnouts, we can provide our customers with a unparalleled combination of availability, performance, and life cycle costs,” says Franz Kainersdorfer, Member of the Management Board of voestalpine AG and Head of the Metal Engineering Division. Revenue in the signaling technology business segment (voestalpine SIGNALING Group) alone has more than tripled over the past decade, rising to almost EUR 100 million. Internationally recognized rail operators including the ÖBB (Austria), DB (Germany), SBB (Switzerland), Network Rail (UK), Sydney Trains (Australia), THSRC (Taiwan), and Transnet (South Africa) already successfully rely on highly innovative monitoring systems from voestalpine. Over 150 research employees across the Group are working on these systems.

## **Major orders worldwide—urbanization a driver of growth**

In the urban traffic segment, voestalpine has most recently supplied rails, turnouts, and signaling technology for the highest-altitude metro system in the world in Quito (Ecuador), for the world's largest metro network in Riyadh (Saudi Arabia), and for streetcar systems construction and upgrades in Newcastle and Canberra (Australia), Dublin (Ireland), Nottingham (England), Bergen (Norway), and Vienna (Austria). Over the next five years new and upgraded metro system projects are expected in over 80 cities around the world. The 70 km long Gotthard Base Tunnel in Switzerland, which opened in 2016, also consists of a single voestalpine complete solution system comprising 18,000 tons of rails and 39 turnouts, including monitoring technology. Two orders for heavy-duty railways in Australia are currently being processed: the Group is supplying fully digital, complete rail systems for coal and ore transport which are designed to monitor extreme loads. "voestalpine Railway Systems is also an important partner in the expansion of the world's largest high-speed rail network in China," says Franz Kainersdorfer.

## **voestalpine Railway Systems at InnoTrans 2018 in Berlin**

The new Railway Systems brand will be officially presented to customers and partners of voestalpine at Innotrans, the largest international trade fair for rail technology, in Berlin from September 18 to 21, 2018. The Group will present its entire portfolio of products and services for mixed traffic, urban (streetcars, metro systems, rapid transit systems), high-speed, and freight (heavy haul and industrial railways) on its 1,000 m<sup>2</sup> exhibition stand.

## **Metal Engineering Division**

The voestalpine Group's Metal Engineering Division is the global market leader in railway infrastructure systems and associated signaling technology (Railway Systems), and the European market leader in quality wire. The division is also a leading provider of tubulars and high-quality welding consumables. Customer segments include the railway infrastructure industry, the oil & gas industry, the mechanical engineering and automotive industries, as well as the construction industry. In the business year 2017/18 the Division and its Steel, Railway Systems, Wire Technology, Tubulars, and Welding Consumables business units generated revenue of around EUR 3 billion, of which over 40 percent was generated outside Europe. The division, with around 13,500 employees worldwide, generated an operating result (EBITDA) of EUR 372 million.

## **The voestalpine Group**

In its business segments, voestalpine is a globally leading technology and capital goods group with a unique combination of material and processing expertise. voestalpine, which operates globally, has around 500 Group companies and locations in more than 50 countries on all five continents. It has been listed on the Vienna Stock Exchange since 1995. With its top-quality products and system solutions using steel and other metals, it is one of the leading partners to the automotive and consumer goods industries in Europe as well as to the aerospace and oil & gas industries worldwide. voestalpine is also the world market leader in turnout technology, special rails, tool steel, and special sections. In the business year 2017/18, the Group generated revenue of around EUR 13 billion, with an operating result (EBITDA) of almost EUR 2 billion; it has around 51,600 employees worldwide.

**voestalpine AG**

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